

Message Text

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PAGE 01 SANA 02767 091113Z

53

ACTION NEA-10

INFO OCT-01 ISO-00 L-03 FBO-02 DODE-00 /016 W

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R 090900Z AUG 76

FM AMEMBASSY SANA

TO SECSTATE WASHDC 8765

INFO AMCONSUL KARACHI

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E.O. 11652: N/A

TAGS: AFSP, YE

SUBJECT: LEASING PROBLEMS - DIA ONE

REF: STATE 192560 (NOTAL)

1. EMBASSY WILL ATTEMPT TO ANSWER QUESTIONS RAISED IN
PARA 4 OF REFTEL BUT SOME OF INFORMATION IS BASED ON
MEMORY AND NOT FACTS SINCE ALL USG PARTICIPANTS HAVE
BEEN TRANSFERRED.

2. THE DIA LEASE SIGNED SEPTEMBER 15, 1974, WAS FOR FIVE
YEARS WITH THE OPTION TO RENEW FOR AN ADDITIONAL FOUR
YEARS. THE CONTRACTING OFFICER AT THE TIME WAS GSO
FINK, WHO IS NOW IN KARACHI. ACCORDING TO RECOLLECTION OF
EMBASSY LOCAL, AFTER THE ENGLISH LANGUAGE LEASES WERE SIGNED THE
LANDLORDS RETURNED AND CLAIMED THAT THEY DID NOT UNDERSTAND
THE TERMS OF THE LEASE. IN PARTICULAR, THEY DID
NOT ACCEPT THE CLAUSE GIVING THE EMBASSY THE
OPTION TO RENEW. NOTE: SINCE THIS OCCURRED YARG HAS
INSISTED THAT ALL LEGAL DOCUMENTS HAVE AN ARABIC
TRANSLATION. OUR FILES SHOW THE GSO THEN ISSUED
THE FOLLOWING LETTER:

"ON THE COMPLETION OF THE TWO YEAR PERIOD EFFECTIVE
SEPTEMBER 15, 1974, THE CONTRACT OF THE LEASE WILL BE
RENEWED IN ACCORDANCE WITH THE AGREEMENT OF BOTH
PARTIES.

SIGNED JOHN E. FINK

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PAGE 02 SANA 02767 091113Z

GENERAL SERVICES OFFICER

AMEMBASSY - SANA."

3. THIS LETTER IS IN ARABIC AND ENGLISH AND IN ARABIC IS UNAMBIGUOUS: 9, 3053.734 15, 1976, THE LANDLORD GETS RIGHT TO APPROVE ANY RENEWAL OF RENTAL.

4. IN EARLIER CASE, FINK LETTER TO LANDLORD OF AID HOUSE GAVE LATTER "RIGHT TO ASK FOR INCREASE IN RENT" AT END OF TWO YEARS. LEGAL AUTHORITIES ADVISED THROUGH FOREIGN MINISTRY THAT THIS LETTER CONSTITUTED VALID SUBSEQUENT AMENDMENT OF LEASE. HOUSE WAS EVENTUALLY RETURNED TO LANDLORD UNILATERALLY BY EMBASSY WHEN RENT DISCUSSION PROVED

TOO ACrimonious. WE HAVE POINTED OUT TO FOREIGN MINISTRY WE DID NOT ACKNOWLEDGE NOR WERE WE LEGALLY BOUND BY LEGAL OPINION WHICH WE REQUESTED AS ADVISORY FROM LEGAL AUTHORITIES. FOREIGN MINISTRY, HOWEVER, DISAGREES. IN COURT TEST, SUCH AY MIGHT BE POSSIBLE IN THIS COUNTRY OF TRADITIONAL ISLAMIC LAW, WE BELIEVE WE WOULD LOSE.

5. EMBASSY IS UNABLE TO ANSWER AS TO WHETHER OR NOT DATT WAS INFORMED ABOUT THE LETTER PRIOR TO ITS ISSUANCE. HOWEVER, SGT. OLIVER, ASSISTANT ATTACHE, WHO WAS HERE AT THE TIME MR. FINK WAS GSO, DOES NOT RECALL ANY MENTION OF SAID LETTER UNTIL THE AID LEASE PROBLEM SURFACED. EMBASSY THEN DISCOVERED LETTER IN CASE OF DAO LEASE.

6. EMBASSY WOULD LIKE TO POINT OUT THAT THE LEGALITIES OF THE RENEWAL OPTION WHICH GIVES RENTER RIGHT WHICH DENIED TO OWNER, HAVE ALSO BEEN QUESTIONED BY YARG LEGAL AUTHORITIES. HOWEVER, PIVOTAL POINT IN AID AND IDA LEASES HAS BEEN FINK LETTERS QUOTED IN PARA 2 AND 4. ON THIS BASIS FOREIGN MINISTRY INSISTED THAT WE WERE OBLIGED TO OPEN THE ENTIRE LEASE FOR RE-NEGOTIATION.

7. AT PRESENT LANDLORD HAS OFFERED TO RENEW FOR TWO YEARS FROM SEPTEMBER 15, 1976, AT INCREASE FROM \$6099 PER ANNUM TO \$13,259 PER ANNUM.
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PAGE 03 SANA 02767 091113Z

8. WE REGRET AND DO NOT UNDERSTAND REASONS FOR FINK LETTERS.

9. STATE LEASE NUMBER OF DIA ONE IS CONTRACT NO. S664-FBO-36.

10. LETTER FOLLOWS INCLUDING FULL DETAILS OF BOTH THIS AND

AID LEASE PROBELSM, INCLUDING COPIES OF ALL NOTES PASSED
TO AND FROM USG AND YARG. COPY OF LETTER BY FINK WILL
ALSO BE SENT.
RANSOM

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Message Attributes

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Draft Date: 09 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: greeneet
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760305-0998
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Handling Restrictions: n/a
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Legacy Key: link1976/newtext/t19760872/aaaackmo.tel
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Margaret P. Grafeld
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